VZCZCXRO1027 OO RUEHAST DE RUEHPS #0600/01 1981850 ZNR UUUUU ZZH O 171850Z JUL 06 FM USOFFICE PRISTINA TO RUEHC/SECSTATE WASHDC IMMEDIATE 6308 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE RUCNDT/USMISSION USUN NEW YORK 0765 RHMFISS/CDR USEUCOM VAIHINGEN GE RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK RHFMIUU/AFSOUTH NAPLES IT RHMFIUU/CDR TF FALCON RHEFDIA/DIA WASHDC RUEKJCS/SECDEF WASHINGTON DC RUEPGEA/CDR650THMIGP SHAPE BE RHEHNSC/NSC WASHDC RUEAWJA/DEPT OF JUSTICE WASHDC RUFOANA/USNIC PRISTINA SR

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SUBJECT: KOSOVO: PISG PROGRESS ON CG STANDARDS PRIORITIES

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PRISTINA 00000600 001.2 OF 004

Sensitive But Unclassified, Please Protect Accordingly.

- 11. (SBU) SUMMARY: Kosovo's Provisional Institutions of Self Government (PISG) continue to make progress on fulfilling the Contact Group's 13 priorities for standards implementation. Prime Minister Agim Ceku announced July 11 that two of the 13 had already been fulfilled and the PISG completed another on July 17. Ceku's political advisor, Avni Arifi, assured Contact Group representatives July 12 that the PISG is on track to complete the others. Those priorities requiring Kosovo Assembly action by the end of October, however, will likely be subject to at least some delay as the Assembly enters its August recess. END SUMMARY.
- 12. (SBU) The PISG is making progress in completing the CG's 13 priorities for standards implementation. PM Ceku announced July 11 that two of the earliest milestones, allocation of the 2006 PISG funding for returns by June 30, and allocation of the first grant from the PISG Minority Media Fund by July 31 had been met. Ceku's advisor on standards implementation, Avni Arifi, updated CG representatives on July 12 on progress since Ceku's last briefing on June 27 (reftel).

New Minority Focused Laws Still Need Some Work

¶3. (SBU) According to Arifi, progress on draft laws focused on minority rights (laws on languages, religious freedom and cultural heritage) continue apace. Arifi claimed that minority representatives (including from Kosovo's ethnic Turkish community) had agreed to proposed amendments to the draft law. The government submitted it to the Kosovo Assembly on July 13 and on the following day a version approved by the OSCE passed unopposed and without amendment through the Assembly committee on public administration. The Assembly secretariat has scheduled review by the budget and communities committees (on which sits Mahir Yagcilar, the current Assembly presidency member from the minority party

"Six Plus" coalition and the major proponent of the naming of Turkish as one of Kosovo's official languages) for the week of July 17 in the hopes of including it on the agenda for the July 27 plenary, the last before the Assembly's August recess. (NOTE: Yagcilar told PolOff July 11 that he is not entirely happy with the population percentage requirements defining official languages and languages in use and would rather the law simply designate Turkish as an official language in four municipalities. The government's compromise was to require the municipality of Prizren to adopt Turkish as an official language. END NOTE).

- ¶4. (SBU) Arifi noted that the Assembly would take up the law on religious freedom on July 13. Despite a walkout by members from opposition parties July 13 to protest the limiting of discussion on the performance of the Ceku government in its first 100 days in office, the remaining quorum of Assembly members approved the law by a vote of 57 in favor and 5 against. The plenary rifled through the 28 amendments to the draft law quickly, adopting them without debate and without even publicly reading them. The Assembly rejected an amendment offered by the Justice Party's representative, Ferid Agani, on religious education with little opposition, but approved by a 15 vote margin his amendment requiring a reference to Kosovo in the name of every religious community.
- ¶5. (SBU) Arifi told the CG representatives that the law on cultural heritage has been harmonized with European legislation and sent the previous week to the Assembly for review by the appropriate committee. He added the government expects the Assembly to adopt the law at its final summer session July 27. (NOTE: The legislation would then be delivered to A/SRSG Steve Schook for promulgation. END NOTE). Discussion then ensued about the failure of the current draft to include language suggested by UN Kosovo

PRISTINA 00000600 002.2 OF 004

Envoy Martti Ahtisaari's team in Vienna allowing for changes to the law based on final status negotiations. (NOTE: is some confusion about where the law stands; or more correctly, with whom it sits. At the July 11 Standards Working Group meeting on Cultural Heritage, Deputy Minister for Culture, Youth and Sports Angelina Krasniqi also stated that the draft law on cultural heritage is with the Assembly. On July 14, opposition Assembly member Enver Hoxhaj, chairman of the Kosovo Assembly's Committee on Education, Culture and Youth, stated in an e-mail sent to PolOff and other participants in the meeting that the draft law is not currently at the Assembly or with his committee and that the Assembly has been waiting for Ceku's office to send over the revised draft law since it was finished in April. Arifi quickly countered with his own e-mail response which contained a scanned copy of the transmittal memorandum used to send the draft law over to the Assembly on July 5. END NOTE). An EU lawyer assisting the Assembly on legislation told PolOff July 17 that the law will not likely be read in plenary before the August recess.

Funds Transferred to KPC for Svinjare Repairs

16. (SBU) Arifi confirmed that 967,000 euros had already been transferred to the Kosovo Protection Corps to complete reconstruction and repair work and assist in resolving other pending claims concerning homes in Svinjare damaged during the March 2004 riots. He added that an additional 1.1 million euros had been transferred July 12, bringing the total amount available to over 2.0 million euros. Arifi added that although a board established to discuss implementation of Svinjare reconstruction/repairs/compensation has been established and had its first meeting on July 11, the PISG has not yet established a similar board for compensation and reconstruction claims outside Svinjare, nor does the

government have data on the extent of commercial property damaged in March 2004.

Pilot Project Rental Scheme for Residential Properties

- \P 7. (SBU) Arifi informed Contact Group representatives that the Ministry for Environmental and Spatial Planning has prepared a proposed rental scheme for residential properties abandoned by internally-displaced persons formerly under the administration of the Housing and Property Directorate (HPD) which it presented at the Property Rights Working Group on July 6. He noted general agreement between the PISG and the Kosovo Property Agency (KPA), the successor to the HPD, that housing rentals will not be paid out of public funds. (COMMENT: "Agreement" may be an overstatement -- the PISG has made clear it cannot offer to pay the rents and the KPA has scarcely considered the matter. END COMMENT.). Arifi told CG representatives that the PISG preferred that private real estate agents handle the rental scheme, but gave way to the insistence of KPA Head Knut Rosandhaug that the KPA retain ultimate responsibility for it. He added that although UNMIK, the PISG and the KPA have not yet agreed on the scope of the rental scheme, a pilot project involving residences in northern Mitrovica and Pristina and Peja/Pec and the nearby ethnic Serb enclave of Gorazhedevac may begin in August. He told the CG representatives that the rental scheme will involve only 3,500 of the 5,300 HPD administered properties because there are 1,800 properties for which ownership has not been established conclusively or for which owners have not replied to HPD's notices.
- 18. (SBU) Concerning the 2,804 HPD claims pending implementation, Arifi informed CG representatives that 800 have already been implemented and of the remaining 2,044 cases occupants in 1,800 of those residences have appealed the HPD's decisions. He added that in 200 cases the owners had not requested the eviction of the current occupants, preferring instead to have the premises occupied. He noted

PRISTINA 00000600 003.2 OF 004

that representatives from the Ministry of Internal Affairs had met with the Kosovo Police Commissioner and Deputy Commissioner to discuss a joint monitoring system to improve effectiveness in deterring and reversing re-occupations.

- 19. (SBU) Arifi said that the Ministry of Transport and Communication (MTC) has identified 13 bus lines for minorities in consultation with the Ministry of Communities and Returns (MCR), but implementation has not begun because UNMIK's Office for Communities, Returns and Minorities (OCRM) has questioned how they were determined. Arifi said PM Ceku has asked the MTC to identify the criteria used to determine the proposed routes. PolOff reminded Arifi that PM Ceku promised to ensure that minority communities who will actually use the lines are fully consulted before the government completes the transportation strategy.
- 110. (SBU) Arifi stated that Minister for Communities and Returns Slavisa Petkovic and OCM head Sandra Mitchell had reached agreement on June 30 on the allocation of the remaining 2006 PISG funding for returns (reftel). He added that of the 4.7 million euro budget allocation, the government had already transferred all but the 1.4 million euros destined for organized returns projects in Abdullah-Presevo (ethnic Roma returning to Gjilan) and Kucici (ethnic Serbs returning to Skenderaj/Srbica).
- ¶11. (SBU) Arifi had little progress to report on completing investigations and pending prosecutions from the March 2004 riots. He repeated PM Ceku's statement from two weeks before that work in seven high profile cases is continuing as a priority. Arifi added that the Ministry of Justice is working closely with UNMIK on these and other cases and that a draft regulation on witness protection is being prepared

and should be adopted soon.

- 112. (SBU) According to Arifi, the Kosovo government decided July 12 to hire an additional translator for each ministry and the office of the prime minister. He added that the Ministry of Public Services will organize training sessions for current as well as new translators.
- 113. (SBU) Arifi was able to confirm that on July 11 all eleven recipients of the PISG minority media fund had received their 4,545 euro grants. Recipients include four Kosovo Serb, two Bosniak, one Turkish, 2 multi-ethnic and two media outlets representing vulnerable groups. This allocation occurred well before the CG's July 31 deadline.
- 114. (SBU) Arifi noted an increase in the number of court liaison offices and sub-municipal police stations. As of July 12, the government has established eleven court liaison offices which are currently operating. Minister of Justice Jonuz Salihaj participated in the opening ceremonies for offices in the Serb villages of Osojan/Osojane (Istog municipality) and Bablak/Babljak (Ferizaj municipality) on July 7. According to Arifi's report, the PISG has opened a total of 15 sub-municipal police stations and two more are planned in Gusterica (Lipjan municipality) and Vrbovac (Viti municipality).
- 115. (SBU) The CG had asked the PISG to appoint a director for the anti-corruption agency by July 1. The council of the anti-corruption agency met on June 7 to select candidates from the 30 who applied, but found that none were suitable for the position of director. The government re-advertised the vacancy and June 30 was the closing date for applications. According to Arifi, 50 people applied and the government sent the names of the two top candidates to the Kosovo Assembly for it to decide. A protracted discussion of the first 100 days of the Ceku government kept the Assembly from deciding between these two candidates until its July 17 plenary, at which it selected Hasan Preteni, a former colonel in the Kosovo Protection Corps and former member of the Kosovo Liberation Army, as director of the anti-corruption agency.
- 116. (SBU) There was less to report on the selection of the PRISTINA 00000600 004.2 OF 004
- government's member of the Independent Media Commission (IMC). Arifi stated that the procedures for selection of the candidate are on the agenda for the current session of the Assembly. Once adopted, candidates will be proposed and chosen during the Assembly's last session before its summer recess on July 27. He noted that the IMC has been established and is currently working, albeit without a member representing the government.
- 117. (SBU) Arifi informed CG representatives that the Kosovo Assembly returned the revised draft law on public procurement to the office of the prime minister on June 29 and requested that it resubmit it as amendments to the existing law rather than as a new law. Arifi reported that the Ministry of Finance and Economy confirmed July 7 that it would comply with this request within a week. To date the amendments have not yet been submitted.
- 118. (SBU) COMMENT: These bi-weekly updates from the PISG are helpful in keeping it focused on implementation of the CG's 13 priorities for standards implementation. They are also informative on the relationship between PM Ceku's office and the Kosovo Assembly. Although the PISG has now completed three of the 13 priorities -- and one of those ahead of schedule -- we are concerned that the confusion over the draft law on cultural heritage suggests to us that progress will be harder to come by from here on out. END COMMENT.
- 119. (U) U.S. Office Pristina clears this cable for release in

its entirety to U.N. Special Envoy for Kosovo Martti Ahtisaari. MCBRIDE